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**Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554**

**Re 47 CFR Part 54 :
W.C. Docket No. 02-60; FCC 03-288
Rural Health Care Support Mechanism
Notice of Proposed Rulemaking**

I write to comment on this Notice of Proposed Rulemaking because of my earlier technical assistance to the FCC as it developed the definition of “rural area” it first used for the rural health care universal service support mechanism. At that time, I was the director of research at the DHHS/HRSA/Office of Rural Health Policy (ORHP) and that office’s expert on definitions of ‘rural.’ I retired from ORHP in 1999 and then continued to work for that office on a consulting basis for another two years. Since then, I have maintained my interest in definitions of ‘rural’ and have kept up to date in this topic area.

(1) As the Office of Management and Budget continues to designate non-metropolitan counties, the FCC can continue to use this element of its definition of ‘rural area.’ (2) But, as noted in the FNPRM, because there will be no 2000 Census update of the Goldsmith Modification, the FCC will have to replace the Goldsmith Modification as the method for identifying the rural areas within metropolitan counties. It is this matter alone that requires the Commission to make some change in its definition of ‘rural ‘area.’

The Goldsmith Modification was developed for ORHP in the early 1990s to identify rural areas within metropolitan counties, with these areas to be geographically eligible for its grant programs. By the mid-1990s, ORHP was aware there would be no Goldsmith Modification update using 2000 Census data. This awareness was one factor in ORHP’s decision to collaborate with the USDA’s Economic Research Service to develop the Rural-Urban Commuting Area Codes (RUCAs). The RUCAs are a logical extension of the Goldsmith Modification in that both utilize workforce commuting data to identify the isolated towns and rural areas of metropolitan counties. For its grant programs, ORHP is now using a two-part definition of geographic eligibility: (1) located in a nonmetropolitan county or (2) in a metropolitan county census tract with a RUCA code of 4 through 10.¹ I recommend that the FCC adopt this definition for identification of ‘rural areas.’

¹ <http://ruralhealth.hrsa.gov/funding/elibibilitytestv2.asp>

For federal policy purposes, the RUCA algorithm is a great improvement on the Goldsmith Modification as it is a truly national measure while the Goldsmith Modification was not. The Goldsmith Modification was applied only to selected metropolitan counties -- to large counties of at least 1,225 square miles² -- even though demographers were well aware that other, smaller metropolitan counties also contained isolated rural areas. In 1996, only 20 states had large metropolitan counties of at least 1,225 square miles; and only 7 of these states (AZ, CA, CO, MN, NV, NM and UT) had large metropolitan counties which contained isolated rural areas identified by the Goldsmith Modification.³ The 1980 population of these Goldsmith-identified rural areas was 2 million. In marked contrast, the RUCA algorithm is applied to *all* metropolitan counties in the nation to identify any 'rural areas' in all of them. In 1998, the RUCA algorithm identified 48 states with rural census tracts [RUCA 4 through 10]. These rural census tracts had a total population of 15.7 million.⁴

As a former federal employee with experience in developing and implementing public programs with geographic eligibility requirements using definitions of rural, it is my view that the Commission's new definition of 'rural area' should be as similar to its original definition as is technically feasible. When first implementing the universal service program, the Commission spent considerable time considering alternative definitions of 'rural area, and decided on one. I see no reason for the Commission to open up this whole topic area once more, if it has available a replacement definition which closely approximates the one it first used. The RUCAs are that definition. In addition,

2. H. F. Goldsmith, D.S. Puskin, and D. J. Stiles. *Improving the Operational Definition of "Rural Areas" for Federal Programs*. DHHS/HRSA/Office of Rural Health Policy. 1993. This unpublished monograph is posted on the ORHP web site: <http://ruralhealth.hrsa.gov/pub/Goldsmith.htm>

3. Goldsmith. Table 3

4. Correspondence with Gary Hart, Ph.D., Director of the WWAMI Rural Health Research Center, University of Washington, and one of the three developers of the Rural-Urban Commuting Area Codes.

5. Goldsmith. Methods - Step 2.

minimizing the change in the definition will facilitate understanding of the new definition by those familiar with the original definition. Also, if RUCA codes 4 through 10 are adopted as the second element of the FCC definition, the number of organizations losing geographic eligibility due to this change will be a relatively small number. This is because, in large metropolitan counties, the RUCA codes 4 through 10 identify more eligible census tracts than did the Goldsmith Modification. Using RUCA codes 4 through 10, towns as large as 49,999 population would be eligible whereas, using the Goldsmith Modification, the maximum town size classified as ‘rural’ was 25,000.⁵

I strongly advise against defining rural as ‘non-urbanized areas,’ in other words, as all areas which are outside of ‘urbanized areas.’ Urbanized areas are (only) the densely populated, central cores of Metropolitan Areas (MA), with population density of 1,000 or more per square mile. If the definition of ‘rural area’ were to be ‘non-urbanized area,’ many suburbs and other densely populated settlements closely integrated with MA central cities would be classified as rural – very inappropriately, in my view.

In considering whether to grandfather existing areas that currently qualify as rural if they no longer qualify under the new definition, it will be important for the Commission to recognize that many formerly eligible areas will lose their eligibility not because of the change in the definition of ‘rural area,’ but rather because of the growth in Metropolitan Areas since the 1990 Census they are no longer ‘rural.’ Many areas will no longer qualify as eligible under the first element of the definition, ‘located in a non-metropolitan county,’ due to the change in OMB’s designation of their county – from nonmetropolitan to metropolitan. Many pre-2000 Metropolitan Areas have spread further out from their centers and now encompass additional, formerly nonmetropolitan, counties. Also, the 2000 Census identified a number of new Metropolitan Areas, the result of population increase in their cores to more than 50,000 since the 1990 census. Two hundred ninety eight former (1993) nonmetropolitan counties, containing 10.3 million persons, are now designated by OMB as metropolitan counties. For areas in all the newly designated metropolitan counties, the second element of new definition of ‘rural area’ will be important as it will identify the eligible areas within these new metropolitan counties.

There has also been some change in the opposite direction. Forty-five counties, with a total population of 3 million, which were formerly (1993) metropolitan counties are currently designated as nonmetropolitan counties. Statistics on the number of metropolitan and nonmetropolitan counties pre- and post the 2000 census are shown on the web site of the USDA’s Economic Research Service at:

>> <http://www.ers.usda.gov/briefing/Rurality/NewDefinitions/> <<

